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**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Financial Statements with Supplementary Information

**As of June 30, 2008 and For the Period from
Inception January 1, 2008 to June 30, 2008**

(With Accountants' Review Report Thereon)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/12/08

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

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— GRIFFIN & COMPANY, LLC —

CERTIFIED PUBLIC ACCOUNTANTS

Stephen M. Griffin, CPA
Robert J. Furman, CPA

Accountants' Review Report

Board of Commissioners
Lafitte Area Independent Levee District
Lafitte, Louisiana

We have reviewed the accompanying basic financial statements of the governmental-type activities of the Lafitte Area Independent Levee District as of June 30, 2008 and from inception January 1, 2008 to June 30, 2008, as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards* issued by the Comptroller General of the United States of America. All information included in these basic financial statements is the representation of the management of the Lafitte Area Independent Levee District.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated August 26, 2008, on the results of our agreed upon procedures.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The management discussion and analysis on pages 2 through 5 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Additionally, the supplementary information described in the table of contents is presented only for supplementary analysis purposes. All supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.


Griffin & Company, LLC

August 26, 2008

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Management's Discussion & Analysis

June 30, 2008

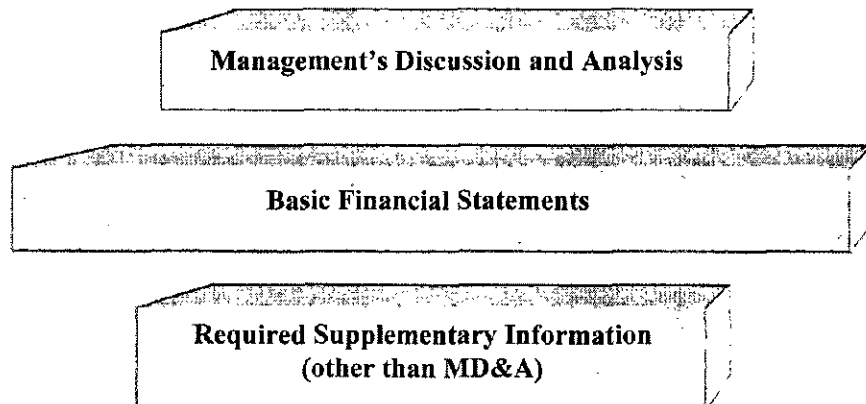
The Management's Discussion and Analysis of the Lafitte Area Independent Levee District's (the "District") financial performance presents a narrative overview and analysis of the District's financial activities for the period from inception January 1, 2008 to June 30, 2008. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the District's financial statements.

Financial Highlights

- The District's assets exceeded its liabilities at the close of fiscal year 2008 by \$608,042 which represents a 100% increase as this is the year of inception.
- The District's revenue increased \$624,472 (or 100%) as this is the year of inception

Overview of the Financial Statements

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2008

Basic Financial Statements

The basic financial statements present information for the Districts as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets presents the assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

Financial Analysis of the Entity

**Statement of Net Assets
As of June 30, 2008
(in thousands)**

Current and other assets	\$ 217
Capital assets	<u>396</u>
Total assets	<u>613</u>
Other liabilities	5
Long-term debt outstanding	<u>-</u>
Total liabilities	<u>5</u>
Net assets:	
Invested in capital assets, net of debt	396
Unrestricted	<u>212</u>
Total net assets	<u><u>\$ 608</u></u>

Unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the District increased by \$608,041 or 100%, from June 30, 2007 to June 30, 2008. The major causes of this increase are the transfer of assets from the West Jefferson Levee District, construction in progress on capital projects, and ad valorem taxes received and / or due to the District.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2008

**Statement of Activities
For the Period from Inception January 1, 2008 to June 30, 2008
(in thousands)**

Operating revenues	\$ -
Operating expenses	<u>16</u>
Operating loss	<u>(16)</u>
Non-operating revenues (expenses)	<u>598</u>
Income before transfers	<u>582</u>
Transfer of capital assets from West Jefferson Levee District	<u>26</u>
Net increase net assets	<u>\$ 608</u>

The District's total revenues increased by \$624,472 or 100%. The total cost of all programs and services increased by \$16,430 or 100%.

Capital Asset and Debt Administration

Capital Assets

At the end of 2008, the District had \$398,175 invested in capital assets, including equipment and construction in progress on capital projects. This amount represents a net increase (including additions) of \$398,175, or 100%, over last year.

This year's major additions included (in thousands):

- \$371 of construction in progress on Levee improvements
- \$26 of assets transferred from the West Jefferson Levee District

Debt

The District had no bonds and notes outstanding at June 30, 2008.

There was no debt issued from inception January 1, 2008 to June 30, 2008.

Variations Between Actual and Budget Amounts

During the period, the District adopted a calendar year budget and thus actual results were not comparable to budgeted amounts. The District is revising this budget to correspond to the fiscal reporting period for future comparison and monitoring.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2008

Economic Factors and Next Year's Budget

The District's officials considered the following factors and indicators when setting next year's budget:

- Continued receipt of ad valorem taxes
- Receipt of funds under various state approved projects

Contacting the District's Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Timothy Kerner at 504-689-2208.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Statement of Net Assets

June 30, 2008

(See Accountants' Review Report)

Assets

Cash & cash equivalents	\$	140,356	
Advalorem taxes receivable		77,205	
Capital assets		<u>395,582</u>	
			\$ <u><u>613,143</u></u>

Liabilities & Net Assets

Liabilities:

Accounts payable & accrued expenses	\$	<u>5,102</u>
-------------------------------------	----	--------------

Total liabilities			5,102
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Net Assets:

Investment in capital assets		395,582
Unrestricted		<u>212,459</u>

Total net assets			<u>608,041</u>
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Total liabilities & net assets			\$ <u><u>613,143</u></u>
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See accompanying notes to the financial statements.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Statement of Activities

From Inception January 1, 2008 to June 30, 2008

(See Accountants' Review Report)

		<u>Program Revenues</u>			<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants & Contributions</u>	<u>Revenue & Changes in Net Assets</u>
Governmental Activities					
Entity	\$ <u>16,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,430)</u>
General Revenues					
	Taxes				227,205
	State appropriations				<u>371,132</u>
	Total general revenues				<u>598,337</u>
Transfer of capital assets from West Jefferson Levee District					
					<u>26,134</u>
	Changes in net assets				608,041
Net Assets at beginning of period					
					<u>-</u>
Net Assets at end of period					
					\$ <u>608,041</u>

See accompanying notes to the financial statements.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Governmental Funds

Balance Sheet

June 30, 2008

(See Accountants' Review Report)

<u>Assets</u>		Total Government Funds
	<u>General</u>	
Current Assets:		
Cash & cash equivalents	\$ 140,356	140,356
Advalorem taxes receivable	<u>77,205</u>	<u>77,205</u>
	<u>217,561</u>	<u>217,561</u>
 <u>Liabilities & Fund Balance</u>		
Current Liabilities:		
Accounts payable & accrued expenses	<u>5,102</u>	<u>5,102</u>
Total current liabilities	5,102	5,102
 Fund Balance:		
Unreserved, reported in:		
General fund	<u>212,459</u>	<u>212,459</u>
Total liabilities & fund balance	\$ <u>217,561</u>	
 Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		<u>395,582</u>
Net assets of governmental activities	\$	<u>608,041</u>

See accompanying notes to the financial statements.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Governmental Funds

Statement of Revenues, Expenses, and Changes in Fund Balance

For the Period from Inception January 1, 2008 to June 30, 2008

(See Accountants' Review Report)

	<u>General</u>	<u>Total Government Funds</u>
Revenues:		
Intergovernmental		
State appropriations	\$ 371,132	371,132
Ad valorem taxes	<u>227,205</u>	<u>227,205</u>
Total revenues	<u>598,337</u>	<u>598,337</u>
Expenses:		
Administrative	13,837	13,837
Capital outlay	<u>398,175</u>	<u>398,175</u>
Total expenses	<u>412,012</u>	<u>412,012</u>
Other:		
Transfer of capital assets from West Jefferson Levee District	<u>26,134</u>	<u>26,134</u>
Net change in fund balance	212,459	212,459
Fund balance, beginning of period	<u>-</u>	<u>-</u>
Fund balance, end of period	\$ <u><u>212,459</u></u>	<u><u>212,459</u></u>

See accompanying notes to the financial statements.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2008

(1) Summary of Significant Accounting Policies

(a) Introduction

The Lafitte Area Independent Levee District (the "District") was created by Louisiana State Legislature, Act 475 of 2007 effective January 1, 2008, from the territory removed from the West Jefferson Levee District. The District provides flood protection for the communities of Crown Point, the Town of Jean Lafitte, and unincorporated Lafitte and Barataria. The governing board administers the operations and responsibilities of the District in accordance with Louisiana statutes. The Board of Commissioners of the District consists of five members appointed by the governor.

(b) Basis of Presentation

The accompanying general purpose financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(c) Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In addition, it has been determined that the District is a component unit of the State of Louisiana for financial reporting purposes. Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State's general purpose financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA

Notes to Financial Statements, Continued

June 30, 2008

(1) Summary of Significant Accounting Policies, Continued

(d) Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the District's operations, the District reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

(e) Fund Financial Statements

Funds are used by the District to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the District are classified into the "governmental" category. The category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

The District reports the following major governmental funds: The *General Fund* is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

(f) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to Financial Statements, Continued

June 30, 2008

(1) Summary of Significant Accounting Policies, Continued

(f) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues.

Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, only when payment is due.

(g) Assets, Liabilities, and Net Assets

Cash and Investments

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the District to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$100 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to Financial Statements, Continued

June 30, 2008

(1) Summary of Significant Accounting Policies, Continued

(g) Assets, Liabilities, and Net Assets, Continued

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designated fund balances represent tentative plans for future use of financial resources that are subject to change.

(2) Reconciliation of Government-Wide and Fund Financial Statements

The *net changes in fund balance* on the governmental fund statement of revenues, expenditures, and changes in fund balances differs from the *changes in net assets of governmental activities* as reported in the government-wide statement of activities by \$395,582. This difference is due to Governmental funds reporting capital outlays as expenditures and thus no depreciation is recorded. The details of this difference are as follows:

Capital outlay	\$ 398,175
Depreciation expense	<u>(2,593)</u>
Net adjustment to increase <i>net changes in fund balance</i> to arrive at <i>changes in net assets</i>	<u>\$ 395,582</u>

(3) Cash

At June 30, 2008, deposits with financial institutions consisted of the following:

Demand Deposits per Bank	\$ 140,688
Secured by federal deposit insurance	(100,000)
Secured by collateralized pledge of securities	<u>-</u>
Unsecured / uncollateralized	<u>\$ 40,688</u>

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to Financial Statements, Continued

June 30, 2008

(4) Capital Assets

The following is a summary of changes in the general fixed assets account group during the period from January 1, 2008 to June 30, 2008:

	<u>Balance</u> <u>January 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	<u>371,132</u>	<u>-</u>	<u>371,132</u>
Capital Assets, Being Depreciated:				
Equipment	-	<u>27,043</u>	<u>-</u>	<u>27,043</u>
Less Accumulated Depreciation:				
Equipment	<u>-</u>	<u>(2,593)</u>	<u>-</u>	<u>(2,593)</u>
Capital Assets Being Depreciated, Net	<u>-</u>	<u>24,450</u>	<u>-</u>	<u>24,450</u>
Total Governmental Activities				
Capital Assets, Net	<u>\$ -</u>	<u>395,582</u>	<u>-</u>	<u>395,582</u>

(5) Administrative Charges

The District currently utilizes office space and administrative staffs of the Town of Jean Lafitte for support of its operations. Total reimbursements to the Town of Jean Lafitte amounted to \$4,000 for the period ending June 30, 2008.

(6) Commitments and Contingencies

The District is a defendant in a lawsuit for alleged damages to the plaintiff's property. Management cannot predict the outcome of the lawsuit and believes its exposure to be no more than \$20,000. Management believes that any loss resulting from this matter, if any, would be covered under the District's liability insurance policy and would not have a material effect on the financial position of the District.

The District has entered into a construction contract totaling \$1,191,796 with a contractor to make certain improvements to levees within the District. As of June 30, 2008, payments totaling \$371,172 have been approved and made under this contract.

Supplementary Information

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Schedule of Commissioners' Per Diems

For the Period from Inception January 1, 2008 to June 30, 2008

(See Accountants' Review Report)

<u>Name</u>	<u>Amount</u>
Barron Burmaster	\$ 225
Dena Frickey	300
Allen Moore	375
Frank Rawle	<u>750</u>
Total	<u><u>1,650</u></u>

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Schedule of Professional Services Payments to Contractors

For the Period from Inception January 1, 2008 to June 30, 2008

(See Accountants' Review Report)

There were no professional services payments made to contractors for surveys, feasibility studies, and special duties during the period from January 1, 2008 to June 30, 2008.

Lafitte Area Independent Levee District
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2008

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
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Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
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C.	Deposits with Financial Institutions and Investments (Information in Appendix B)
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DD.	Employee Termination Benefits

Schedules

- 1 Schedule of Per Diem Paid to Board Members
- 2 Not Applicable
- 3 Schedules of Long-Term Debt
- 4 Schedules of Long-Term Debt Amortization
- 15 Schedule of Comparison Figures and Instructions
- 16 Schedule of Cooperative Endeavors

Appendix

- A Instructions for the Simplified Statement of Activities**
- B Information for Note C – Deposits with Financial Institutions & Investments**
- C Information for Note BB – Net Assets Restricted by Enabling Legislation**
- D Information for Note CC – Impairment of Capital Assets**
- E Information for Schedule 16 – Cooperative Endeavors**
- F Information for Note I – Other Postemployment Benefits**
- G Information for Note Q – Revenues or Receivables – Pledged or Sold (GASB 48)**

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2008

Lafitte Area Independent Levee District
2654 Jean Lafitte Boulevard
Lafitte, Louisiana 70067

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority,
Timothy Kerner, President of the Lafitte Area Independent Levee District
who duly sworn, deposes and says, that the financial statements herewith given present fairly
the financial position of the Lafitte Area Independent Levee District
at June 30, 2008 and the results of operations for the year then ended in accordance with
policies and practices established by the Division of Administration or in accordance with
Generally Accepted Accounting Principles as prescribed by the Governmental Accounting
Standards Board. Sworn and subscribed before me, this 29 day of

August 2008

Timothy Kerner
Signature of Agency Official

Prepared by: Griffin & Company, LLC

Contact: Robert J. Furman, CPA

Title: Partner

Telephone No.: 985-727-9924

Date: August 28, 2008

[Signature]
NOTARY PUBLIC

Charlie R. Kerner
LA# JP-263
org. Com. Expires 12-31-14

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2008**

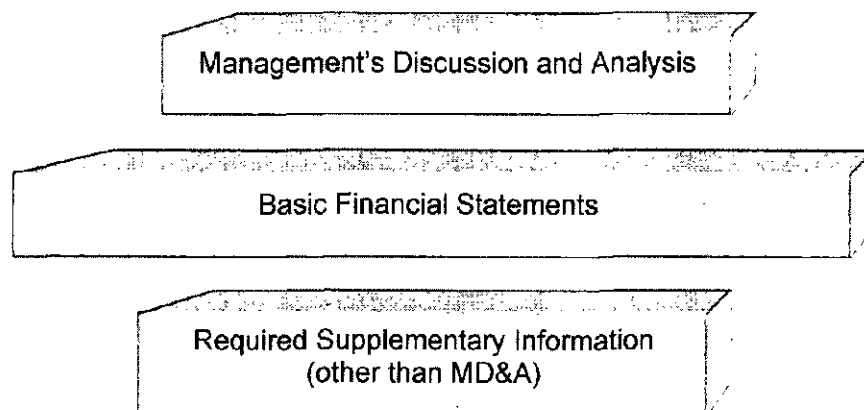
The Management's Discussion and Analysis of the District's (BTA) financial performance presents a narrative overview and analysis of the District's (BTA) financial activities for the year ended June 30, 2008. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the District's (BTA) financial statements.

FINANCIAL HIGHLIGHTS

- ★ The District's (BTA) assets exceeded its liabilities at the close of fiscal year 2008 by \$608,041 which represents a 100% increase as this is the year of inception.
- ★ The District's (BTA) revenue increased \$624,471 (or 100%) as this is the year of inception

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Districts (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the District (BTA) is improving or deteriorating.

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2008**

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how the District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, _____ (in thousands)		
	Total	
	2008	2007
Current and other assets	\$ 217	\$ -
Capital assets	396	-
Total assets	613	-
Other liabilities	5	-
Long-term debt outstanding	0	-
Total liabilities	5	-
Net assets:		
Invested in capital assets, net of debt	396	-
Restricted		
Unrestricted	212	-
Total net assets	\$ 608	\$ -

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the District (BTA) increased by \$613,143 or 100%, from June 30, 2007 to June 30, 2008. The major causes of this increase are the transfer of assets from the West Jefferson Levee District, construction in progress on capital projects, and ad valorem taxes received and / or due to the District.

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2008**

Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, __
(in thousands)

	Total	
	2008	2007
Operating revenues	\$ 0	\$
Operating expenses	16	
Operating income(loss)	(16)	-
Non-operating revenues(expenses)	598	
Income(loss) before transfers	582	-
Transfers in	26	
Transfers out		
Net increase(decrease) in net assets	\$ 608	\$ -

The District's (BTA) total revenues increased by \$624,471 or 100%. The total cost of all programs and services increased by \$16,430 or 100%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008, the District (BTA) had \$398,175 invested in capital assets, including equipment and construction in progress on capital projects.(See Table below).

This amount represents a net Increase (including additions) of \$398,175, or 100%, over last year.

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2008

Capital Assets at Year-end
(Net of Depreciation, in thousands)

	2008	2007
Land	\$ 371	\$
Buildings and improvements	0	
Equipment	25	
Infrastructure	0	
Totals \$	<u>396</u>	<u>-</u>

This year's major additions included (in thousands):

- \$371 of construction in progress on Levee improvements
- \$26 of assets transferred from the West Jefferson Levee District
-

Debt

The District (BTA) had \$ -0- thousand in bonds and notes outstanding at year-end, compared to \$ _____ thousand last year, a (decrease / increase) of ____ % as shown in the table below.

Outstanding Debt at Year-end
(in thousands)

	2008	2007
General Obligation Bonds	\$	\$
Revenue Bonds and Notes		
Totals \$	<u>-</u>	<u>-</u>

New debt resulted from _____.

The _____ (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The _____ (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2008**

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$___ million over/under budget and expenditures were more than/less than budget due in part to _____.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Continued receipt of ad valorem taxes
- Receipt of funds under various state approved projects
-

The District (BTA) expects that next year's results will improve based on the following:

-
-
-

CONTACTING THE DISTRICT'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's (BTA) finances and to show the District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact Timothy Kerner at 504-689-2208.

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
BALANCE SHEET
AS OF JUNE 30, 2008**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$	140,356
Investments		
Receivables (net of allowance for doubtful accounts)(Note U)		77,205
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		217,561

NONCURRENT ASSETS:

Restricted assets (Note F):		
Cash		
Investments		
Receivables		
Investments		
Notes receivable		
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		
Machinery and equipment		24,450
Infrastructure		
Construction in progress		371,132
Other noncurrent assets		
Total noncurrent assets		395,582
Total assets	\$	613,143

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$	5,102
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities: (Note K)		
Contracts payable		
Compensated absences payable		
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Bonds payable		
Other long-term liabilities		
Total current liabilities		5,102

NONCURRENT LIABILITIES: (Note K)

Contracts payable		
Compensated absences payable		
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Bonds payable		
OPEB payable		
Other long-term liabilities		
Total noncurrent liabilities		-
Total liabilities		5,102

NET ASSETS

Invested in capital assets, net of related debt		
Restricted for:		
Capital projects		395,582
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		212,459
Total net assets		608,041
Total liabilities and net assets	\$	613,143

The accompanying notes are an integral part of this financial statement.

Statement A

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

The accompanying notes are an integral part of this financial statement.

Statement B

OPERATING REVENUES

Sales of commodities and services	\$
Assessments	
Use of money and property	
Licenses, permits, and fees	
Other	
Total operating revenues	-

OPERATING EXPENSES

Cost of sales and services	
Administrative	13,837
Depreciation	2,593
Amortization	
Total operating expenses	16,430
Operating income(loss)	(16,430)

NON-OPERATING REVENUES(EXPENSES)

State appropriations	371,132
Intergovernmental revenues(expenses)	
Taxes	227,205
Use of money and property	
Gain on disposal of fixed assets	
Loss on disposal of fixed assets	
Federal grants	
Interest expense	
Other revenue	
Other expense	
Total non-operating revenues(expenses)	598,337

Income(loss) before contributions, extraordinary items, & transfers	581,907
---	---------

Capital contributions	
Extraordinary item - Loss on impairment of capital assets	
Transfers in	26,134
Transfers out	

Change in net assets	608,041
----------------------	---------

Total net assets – beginning	
------------------------------	--

Total net assets – ending	\$ 608,041
---------------------------	------------

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

See Appendix A for instructions

	Program Revenues			Net (Expense)
		Operating	Capital	Revenue and
	Charges for	Grants and	Grants and	Changes in
Expenses	Services	Contributions	Contributions	Net Assets
Entity	\$ 16,430	\$	\$	\$ (16,430)
General revenues:				
Taxes				227,205
State appropriations				371,132
Grants and contributions not restricted to specific programs				
Interest				
Miscellaneous				
Special items				
Extraordinary item - Loss on impairment of capital assets				
Transfer of capital assets from West Jefferson Levee District				26,134
Total general revenues, special items, and transfers				624,471
Change in net assets				608,041
Net assets - beginning as restated				
Net assets - ending				\$ 608,041

The accompanying notes are an integral part of this statement.

Statement C

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

Cash flows from operating activities		
Cash received from customers	\$	
Cash payments to suppliers for goods and services		
Cash payments to employees for services		(4,000)
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		(5,644)
Net cash provided(used) by operating activities		(9,644)
Cash flows from non-capital financing activities		
State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other		150,000
Net cash provided(used) by non-capital financing		150,000
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		(371,132)
Proceeds from sale of capital assets		
Capital contributions		
Other		371,132
Net cash provided(used) by capital and related financing activities		-
Cash flows from investing activities		
Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities		
Net cash provided(used) by investing activities		-
Net increase(decrease) in cash and cash equivalents		140,356
Cash and cash equivalents at beginning of year		
Cash and cash equivalents at end of year	\$	140,356

Statement D
(Continued)

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$	(16,430)
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization		
Provision for uncollectible accounts		2,593
Other		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net		
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable and accruals		4,193
Increase(decrease) in compensated absences payable		
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in OPEB payable		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities	\$	(9,644)

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$	
Contributions of fixed assets		
Purchases of equipment on account		
Asset trade-ins		
Other (specify)		
Total noncash investing, capital, and financing activities:	\$	-

The accompanying notes are an integral part of this statement.

Statement D (concluded)

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

INTRODUCTION

The District (BTA) was created by the Louisiana State Legislature under the provisions of Act 475 of the Regular Session, 2007. The following is a brief description of the operations of the District (BTA) which includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the District (BTA) present information only as to the transactions of the programs of the District (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the District (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the District (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	<u>APPROPRIATIONS</u>
Original approved budget	\$ _____
Amendments:	_____

Final approved budget	\$ _____ -

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix B for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the District (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2008, consisted of the following:

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books	\$ 140,356	\$ _____	\$ _____	\$ 140,356.00
Deposits in bank accounts per bank	\$ 140,688	\$ _____	\$ _____	\$ 140,688.00
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$ _____	\$ _____	\$ _____	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$ 40,688	\$ _____	\$ _____	\$ 40,688.00
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency <u>but not in the entity's name.</u>	\$ _____	\$ _____	\$ _____	\$ -

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Regions Bank	General Fund	\$ 140,688
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 140,688

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

The District (BTA) does not maintain investment accounts as authorized by _____ (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the table on

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

this page, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

<u>Type of Investment</u>	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>*Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Negotiable CDs	\$ _____	\$ _____	\$ _____	\$ _____
Repurchase agreements	_____	_____	_____	_____
U.S. Government Obligations **	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Mortgages (including CMOs & MBSs)	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____
Real estate	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix B for the definition of U.S. Government Obligations)

3. DERIVATIVES

The institution does/does not invest in derivatives as part of its investment policy. Accordingly, the exposure to risk from these investments is as follows:

credit risk _____
market risk _____
legal risk _____

Technical Bulletin 2003-1 requires certain note disclosures for derivatives that are not reported at fair value on the Statement of Net Assets. See Appendix B for more details and disclose any of these required note disclosures below, if applicable. _____

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
		\$
	Total	\$ -

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

<u>Type of Debt Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater Than 10</u>
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds					
Mutual bond funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix B for examples of debt investments that are highly sensitive to changes in interest rates.

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	\$ _____ -

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

- a. Investments in pools managed by other governments or mutual funds _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____
 - 2. Description of the terms of the agreement _____
- e. Losses during the year due to default by counterparties to deposit or investment transactions _____
- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____
- k. Market value on _____ (fiscal close) of the securities to be repurchased _____
- l. Description of the terms of the agreements to repurchase _____
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

- p. Basis for determining which investments, if any, are reported at amortized cost _____

- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____

- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____

- s. Any involuntary participation in an external investment pool _____

- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____

- u. Any income from investments associated with one fund that is assigned to another fund _____

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

Year ended June 30, 2008						
Balance 6/30/2007	Prior Period Adjustment	Adjusted Balance 6/30/2007	Additions	Transfers*	Retirements	Balance 6/30/2008
Capital assets not being depreciated						
Land	\$	\$	\$	—	\$	\$
Non-depreciable land improvements						
Capitalized collections						
Construction in progress				371,132		371,132
Total capital assets not being depreciated	—	—	—	371,132	—	371,132
Other capital assets						
Machinery and equipment			27,043			27,043
Less accumulated depreciation			(2,593)			(2,593)
Total Machinery and equipment	—	—	24,450	—	—	24,450
Buildings and improvements						
Less accumulated depreciation						
Total buildings and improvements	—	—	—	—	—	—
Depreciable land improvements						
Less accumulated depreciation						
Total depreciable land improvements	—	—	—	—	—	—
Infrastructure						
Less accumulated depreciation						
Total infrastructure	—	—	—	—	—	—
Total other capital assets	—	—	24,450	—	—	24,450
Capital Asset Summary:						
Capital assets not being depreciated	—	—	371,132	—	—	371,132
Other capital assets, at cost	—	—	27,043	—	—	27,043
Total cost of capital assets	—	—	398,175	—	—	398,175
Less accumulated depreciation	—	—	(2,593)	—	—	(2,593)
Capital assets, net	\$ —	\$ —	\$ 395,582	\$ —	\$ —	\$ 395,582

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

**STATE OF LOUISIANA
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Notes to the Financial Statement
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E. INVENTORIES

The BTA's inventories are valued using _____ (method of valuation – **FIFO, LIFO, weighted average, moving average, specific identification, etc.**). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$_____ in the non-current assets section on Statement A, consisting of \$_____ in cash with fiscal agent, \$_____ in receivables, and \$_____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:

_____.

G. LEAVE

1. COMPENSATED ABSENCES

The District (BTA) has the following policy on annual and sick leave:

Currently the District only has one employee and no compensation is offered absences as this is the Administrator position and is not a full time position. Should the District hire full time employees in the future, a compensated absences policy will be established at that time.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2008 (**fiscal year end**) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$-0-. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

As there are no full time employees of the District, none of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

I. OTHER POSTEMPLOYMENT BENEFITS

The District does not offer an other postemployment benefits at this time.

J. LEASES

NOTE: Where five-year amounts are requested, list the **total amount (sum) for the five-year period, not the annual amount for each of the five years.**)

1. OPERATING LEASES

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The total payments for operating leases during fiscal year June 30, 2008 amounted to \$-0-. (Note: If lease payments extend past FY 2023, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014- 2018</u>	<u>FY 2019- 2023</u>
Office Space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____	_____	_____	_____
Land	_____	_____	_____	_____	_____	_____	_____
Other	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

2. CAPITAL LEASES

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/08. In Schedule B, report only those new leases entered into during fiscal year 2007-2008.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2028, create additional rows and report these future minimum lease payments in five year increments.)

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Year ending June 30 :	Total
2009	\$ _____
2010	_____
2011	_____
2012	_____
2013	_____
2014-2018	_____
2019-2023	_____
2024-2028	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2028, create additional rows and report these future minimum lease payments in five year increments.)**

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Year ending June 30:	Total
2009	\$ _____
2010	_____
2011	_____
2012	_____
2013	_____
2014-2018	_____
2019-2023	_____
2024-2028	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2028, create additional rows and report these future minimum lease payments in five year increments.)**

Year ending June 30:	Total
2009	\$ _____
2010	_____
2011	_____
2012	_____
2013	_____
2014-2018	_____
2019-2023	_____
2024-2028	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remanining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		_____ -		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		_____ -		
Less estimated residual value of leased property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____ -		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2008 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2028, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending _____:	
2009	\$ _____
2010	_____
2011	_____
2012	_____
2013	_____
2014-2018	_____
2019-2023	_____
2024-2028	_____
Total	\$ _____ -

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4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2028, please create additional columns and report these future minimum lease payment receivables in five year increments.)**

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2009	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2010					-
2011					-
2012					-
2013					-
2014-2018					-
2019-2023					-
2024-2028					-
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Current year lease revenues received in fiscal year _____ totaled \$ _____.

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2008: (Balances at June 30th should include current and non-current portion of long-term liabilities.)

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	Year ended June 30, 2008			Balance June 30, 2008	Amounts due within one year
	Balance June 30, 2007	Additions	Reductions		
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ -	\$
Bonds payable				-	
Total notes and bonds	-	-	-	-	-
Other liabilities:					
Contracts payable				-	
Compensated absences payable				-	
Capital lease obligations				-	
Claims and litigation				-	
OPEB payable				-	
Other long-term liabilities				-	
Total other liabilities	-	-	-	-	-
Total long-term liabilities	\$ -	\$ -	\$ -	\$ -	\$ -

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. CONTINGENT LIABILITIES

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in Note CC.** Losses or pending litigation that is probable should be reflected on the balance sheet.

The District (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome (Reasonably possible or probable)	Estimated Settlement Amt for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
10/11/05	Property Damage - Unknown	\$ 20,000	\$ 20,000
Totals		\$ 20,000	\$ 20,000

*Note: Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

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Those agencies collecting federal funds, who have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

<u>Program</u>	<u>Date of Disallowance</u>	<u>Amount</u>	<u>*Probability of Payment</u>	<u>Estimated Settlement Amount</u>
1. _____	_____	\$ _____	_____	\$ _____
2. _____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____

* Reasonably possible, probable, or unknown

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

purchase of commercial insurance,

participation in a public entity risk pool (e.g., Office of Risk Management claims)

risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)

Other (explain) _____

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. _____

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. _____

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it can not be estimated. _____

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

M. RELATED PARTY TRANSACTIONS

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions. _____

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N. ACCOUNTING CHANGES

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

P. DEFEASED ISSUES

In _____, 20____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$_____.

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. Pledged revenues must be disclosed for each period in which the secured debt remains outstanding and for each secured debt issued.

Provide the following information about the specific revenue pledged:

a. Identify the specific pledged revenue:

- Pledged revenue is _____
- Debt secured by the pledge revenue (amount) _____
- Approximate amount of pledge _____
 (equal to the remaining principal and interest requirements)

b. Term of the commitment: _____

[number of years (beginning and ending dates by month and year)
 that the revenue will not be available for other purposes]

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- c. General purpose for the debt secured by the pledge: _____

- d. Relationship of the pledged amount to the specific revenue: _____
_____ (the proportion of the specific revenue that has been pledged)
- e. Comparison of the pledged revenues (current year information):
- Principal requirements: _____
 - Interest requirements: _____
 - Pledge revenues recognized during the period _____
(gross pledged revenue minus specified operating expenses)

NOTE: For the first year of this note, please send a copy of the following sections of the official bond statement

- Cover page
- Introductory statement
- Plan of financing
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix G)

Provide the following information in the year of the sale ONLY:

- a. Identify the specific revenue sold:
- the revenue sold is _____
 - the approximate amount _____
 - significant assumptions used in determining the approximate amount _____
- b. Period of the sale: _____
- c. Relationship of the sold amount to the total for that specific revenue: _____
- d. Comparison of the sale:
- proceeds of the sale _____
 - present value of the future revenues sold _____
 - significant assumptions in determining the present value _____

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2007-2008:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)		_____	\$ _____

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S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____. The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT

The _____ (BTA) issues short-term notes for the following purpose(s)

Short-term debt activity for the year ended June 30, 20__, was as follows:

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____ -

The _____ (BTA) uses the following revolving line of credit for to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit	\$ _____	\$ _____	\$ _____	\$ _____ -

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 20__, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
_____	_____	_____	_____	_____	_____ -
Gross receivables	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Less allowance for uncollectible accounts	_____ -	_____ -	_____ -	_____ -	_____ -
Receivables, net	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -

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V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 20__, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$	\$	\$	\$	\$
					-
					-
Total payables	\$ -	\$ -	\$ -	\$ -	\$ -

W. SUBSEQUENT EVENTS

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement. _____

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment _____

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

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Condensed Balance sheet:

	Segment #1	Segment #2
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	Segment #1	Segment #2
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ -	_____ -
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ -	_____ -
Beginning net assets	_____	_____
Ending net assets	_____ -	_____ -

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C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
 (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due from other funds		\$ _____

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due to other funds		\$ _____

3. List by fund type all transfers from other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

4. List by fund type all transfers to other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$
Total transfers to other funds		\$

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 20__.

<u>Ending net assets</u> <u>6/30/07 as reported to</u> <u>OSRAP on PY AFR</u>	<u>*Adjustments to end net</u> <u>assets 6/30/07 (after AFR</u> <u>was submitted to OSRAP)</u> <u>+ or (-)</u>	<u>Restatements</u> <u>(Adjustments to</u> <u>beg. Balance 7/1/07)</u> <u>+ or (-)</u>	<u>Beg net assets</u> <u>@ 7/1/07</u> <u>as restated</u>
\$	\$	\$	\$

Each adjustment must be explained in detail on a separate sheet.

*Include all audit adjustments accepted by the agency or entity.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)

Of the total net assets reported on Statement A at June 30, 20__, \$ _____ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix C for more details on the determination of the amount to be reported as required by GASB Statement 46. List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

<u>Purpose of Restriction</u>	<u>LA Revised Statute</u> <u>Authorizing Revenue</u>	<u>Amount</u>
		\$
Total		\$

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

CC. IMPAIRMENT OF CAPITAL ASSETS

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets **and for insurance recoveries**. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. **See Appendix D for more information on GASB 42 and the Impairment of Capital Assets.**

The following capital assets became **permanently** impaired in FY 07-08: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix D, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Insurance Recovery in the same FY</u>	<u>Net Impairment Loss per Financial Stmt</u>	<u>Financial Statement Classification</u>	<u>Appendix D Indicator of Impairment</u>	<u>Reason for Impairment (e.g. hurricane)</u>
Buildings	_____	_____	_____	_____	_____	_____
Movable Property	_____	_____	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____	_____	_____

Insurance recoveries received in FY 07-08 related to impairment losses occurring in previous years, and insurance recoveries received in FY 07-08 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

<u>Type of asset</u>	<u>Amount of Insurance Recovery</u>	<u>Financial Statement Classification</u>	<u>Reason for insurance recovery (e.g. fire)</u>
Buildings	_____	_____	_____
Movable Property	_____	_____	_____
Infrastructure	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year: (Include **any permanently impaired** capital assets listed above that are still idle at the end of the fiscal year, **any temporarily impaired capital assets**, and any assets impaired in prior years that are still idle at the end of the **current** fiscal year.)

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

<u>Type of asset</u>	<u>Carrying Value of Idle Impaired Assets</u>	<u>Reason for Impairment</u>
Buildings - permanently impaired		
Buildings - temporarily impaired		
Movable Property - permanently impaired		
Movable Property - temporarily impaired		
Infrastructure - permanently impaired		
Infrastructure - temporarily impaired		

DD. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages, that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan.

Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Healthcare coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances
4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)
2. Period the employer becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2008, the cost of providing those benefits for _____ (number of) voluntary terminations totaled \$_____. For 2008, the cost of providing those benefits for _____ (number of) involuntary terminations totaled \$_____. [The termination benefits (voluntary and involuntary) paid in FY 2008 should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line "Administrative" in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) involuntary terminations.

STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2008

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the "compensated absences payable" account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

**STATE OF LOUISIANA
LAFITTE AREA INDEPENDENT LEVEE DISTRICT (BTA)
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2008
(Fiscal Close)**

[illegible]

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF NOTES PAYABLE
 _____, 20____
 (Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

SCHEDULE 3-A

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE
 _____, 20____
 (Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 20__

Ending:	Payment	Interest	Principal	Balance
2009	\$ _____	\$ _____	\$ _____	\$ _____ --
2010	_____	_____	_____	_____ --
2011	_____	_____	_____	_____ --
2012	_____	_____	_____	_____ --
2013	_____	_____	_____	_____ --
2014-2018	_____	_____	_____	_____ --
2019-2023	_____	_____	_____	_____ --
2024-2028	_____	_____	_____	_____ --
2029-2033	_____	_____	_____	_____ --
Total	\$ _____ --	\$ _____ --	\$ _____ --	\$ _____ --

SCHEDULE 4-A

STATE OF LOUISIANA
_____ (BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

Fiscal Year Ending:	Principal	Interest
2009	\$ _____	\$ _____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014-2018	_____	_____
2019-2023	_____	_____
2024-2028	_____	_____
2029-2033	_____	_____
Total	\$ <u> -- </u>	\$ <u> -- </u>

SCHEDULE 4-B

STATE OF LOUISIANA
(BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 20__

Fiscal Year Ending:	<u>Principal</u>	<u>Interest</u>
2009	\$ _____	\$ _____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
2032	_____	_____
2033	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-C

STATE OF LOUISIANA

(BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2008</u>	<u>2007</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ _____	\$ _____	\$ -	\$ _____
Expenses	_____	_____	-	_____
2) Capital assets	_____	_____	-	_____
Long-term debt	_____	_____	-	_____
Net Assets	_____	_____	-	_____
Explanation for change:	_____			

AGENCY NUMBER _____
AGENCY NAME _____

[illegible]

Schedule of Findings and Management Corrective Action Plan

**LAFITTE AREA INDEPENDENT LEVEE DISTRICT
STATE OF LOUISIANA**

Schedule of Findings and Management Corrective Action Plan

For the Period From Inception January 1, 2008 to June 30, 2008

Finding 2008-1:

Criteria:

Each political subdivision shall cause to be prepared a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and each special revenue fund (RS 39:1305)

Condition:

During the period, the District prepared and adopted a budget prepared for the calendar year ending December 31, 2008 instead of the fiscal period ending June 30, 2008.

Cause:

The above condition was caused by the District failing to recognize their budget should be prepared on a fiscal year basis.

Recommendation:

We recommend the District prepare and adopt a revised budget to include the period from July 1, 2008 to June 30, 2009 as soon as possible.

Management Corrective Action Plan:

The District plans to prepare and adopt a revised budget to include the period from July 1, 2008 to June 30, 2009 in accordance with the Local Government Budget Act.

Finding 2008-2:

Criteria:

Funds invested in accordance with the provisions of R.S. 33:2955(A)(1)(d) shall not exceed at any time the amount insured by the Federal Deposit Insurance Corporation in any one banking institution, or in any one savings and loan association, or National Credit Union Administration, unless the uninsured portion is collateralized by the pledge of securities in the manner provided in R.S. 39:1221. Each political subdivision shall cause to be prepared a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and each special revenue fund (RS 33:2955(f))

Condition:

At June 30, 2008, the District had funds on deposit at a financial institution that were in excess of the amount insured by the Federal Deposit Insurance Corporation and were not collateralized by the pledge of securities in the manner provided in R.S. 39:1221.

Cause:

The above condition was caused by the District failing to ensure the account was set up properly by the financial institution such that collateral was properly pledged when bank balances exceed the amount insured by the Federal Deposit Insurance Corporation.

Recommendation:

We recommend the District contact the financial institution immediately to ensure the account is collateralized when necessary.

Management Corrective Action Plan:

The District has contacted the financial institution and the account status has been changed so that collateral will be properly pledged when required.

Independent Accountants' Report on Applying Agreed Upon Procedures

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

**Board of Commissioners
Lafitte Area Independent Levee District
Lafitte, Louisiana**

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Lafitte Area Independent Levee District (the "District") and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations for the period from inception January 1, 2008 through June 30, 2008, included in the accompanying Louisiana Attestation Questionnaire. This agree-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The District did have one disbursement for public works exceeding \$100,000 during the year. This disbursement relates to a project that was originally bid by the West Jefferson Levee District in conjunction with the Louisiana Department of Transportation. Accordingly, the public bid law requirements were not the responsibility of the District and thus were not tested.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each District Board Member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all District Board Members and employees, as well as their immediate families.

Management provided us with the required list including the above noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in procedure 3 appeared on the listing provided by management in procedure 2.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments, if applicable.

A copy of the legally adopted budget was obtained from the District.

6. Trace the budget adoption and amendments to the minute book.

The budget adoption was traced to the minute book. There were no amendments to the budget as of the date of our procedures.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more if actual expenditures exceeded budgeted amounts by 5% or more.

We were unable to complete this procedure. Per discussion with District personnel, the budget adopted at the May 8, 2008 meeting was prepared on a calendar year basis (2008) and thus is not comparable to the period being examined. The District indicated it will prepare and adopt a revised budget for the fiscal year July 1, 2008 to June 30, 2009 at its next meeting.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

(a) Trace payments to supporting documentation as to proper amount and payee;

All payments were traced to supporting documentation without exception

(b) Determine if payments were properly coded to the correct fund and general ledger amount;

All payments were properly coded to the correct fund and general ledger account without exception

(c) Determine whether payments received approval from proper authorities.

All payments received approval from proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Management has asserted that such documents were properly posted at Town Hall prior to each meeting.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

Bank deposits for the period under examination were reviewed noting no deposits that appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

Payroll records and minutes for the period were reviewed noting no payments to employees that may constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you

This report is intended solely for use of management of the Lafitte Area Independent Levee District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


Griffin & Company, LLC

August 26, 2008

Louisiana Attestation Questionnaire

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

Date: 8/28/09

Griffin & Company, LLC
1433 West Causeway Approach
Mandeville, Louisiana 70471

In connection with your review of our financial statements as of June 30, 2008 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 8/28/09.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

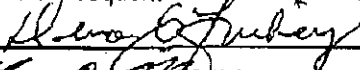
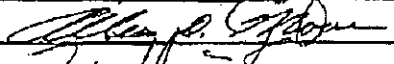
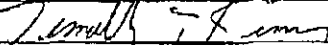
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary	8/28/08	Date
	Treasurer	8/28/08	Date
	President	8/28/08	Date